

Update

Temporary Assistance to Needy Families (TANF) Reauthorization

(Federal Welfare Reform Legislation)

prepared by the California Commission on the Status of Women – August 2002

Status of TANF in Congress

Five years ago, Congress passed a welfare reform law that ended AFDC (Aid to Families with Dependent Children) and created TANF (Temporary Assistance to Needy Families). This year Congress must reauthorize the law and once again issues of welfare and work are being hotly debated – a debate that will greatly affect the lives of the poorest families with children in our country. Many important policies – both good and bad – are open to debate and change, including funding. Information in this paper reflects action up to August 1, 2002.

In May, the House of Representatives passed a bill that is very much like the President's plan. This summer, the Senate has been considering its own bill, one that some advocacy groups believe is more moderate – less harmful to families. After the Senate votes, House and Senate members will be appointed to a conference committee to work out a final version. However, no action will take place until September 3rd, when Congress returns after its month long recess. Advocates need to work to improve the Senate bill, then work for a final TANF bill that is much closer to the Senate version.

	House Action	Senate Action (to date)
	During the first week of May, the House Ways and Means Committee as well as the House Education and the Workforce Committee approved companion TANF reauthorization legislation. The two bills have been combined into a single piece of legislation that was passed by the House on May 16, 2002. What follows is a brief description of the main provisions behind the House bill.	In June, the Senate Finance Committee reported out its version of TANF reauthorization legislation. The bill increases the amount of time recipients can spend in vocational education and training; counts post-secondary education as work activity; modifies the current cap on the percentage of a state's caseload that can be engaged in education and training activities; rewards states for moving recipients into higher-paying jobs; and invests in skills building opportunities.
TANF Funding	Extends TANF block grant at the current level of \$16.5 billion for the next five years.	Extends TANF block grant at the current level of \$16.5 billion for the next five years.
Work Participation Requirements	Increases the number of hours per week families must participate in work-related activities to 40, with a minimum of 24 hours in a job and the remainder in "significant" activities such as education, training, addiction treatment, or volunteer activities.	<ul style="list-style-type: none">• Maintains the work requirements at 20 hours a week for single-parent families with young children and 30 hours a week for other single-parent families.

	House Action	Senate Action (to date)
Work Participation Requirements (continued)		<ul style="list-style-type: none"> Allows states to exempt caretakers of family members with disabilities from work requirements.
Work Participation Activities	<ul style="list-style-type: none"> Limits activities that count toward the first 24 hours of the work requirement to employment, on-the-job training, supervised work experience, supervised community service, and other services as described below. Allows participation in substance abuse, rehabilitation treatment and job search to count toward the 24-hour requirement for up to three months. Allows participation in work-related training or education to count toward the 24-hour requirement for up to four months. 	<ul style="list-style-type: none"> Allows the following activities to count toward the first 24 hours of the 40 hour work requirement: employment, work experience, on-the-job training, job search, community service, providing child care for community service participants, and other activities as described below. Allows participation in “rehabilitative services” such as substance abuse treatment, mental health treatment, vocational rehabilitation services, adult basic education, and English proficiency classes, to fulfill work requirement as full-time activities for up to three months. Allows vocational and post-secondary education to fulfill the work requirement without a time limit. Caps participation in these programs at 10 percent of a state’s caseload.
Marriage Proposal	<ul style="list-style-type: none"> Replaces the Illegitimacy Reduction Bonus with Healthy Marriage Promotion grants, which would provide \$100 million annually in matching grants to fund marriage promotion and marriage education activities. States would be able to use TANF block grant funds to meet the match requirement. Redirects \$100 million annually from the High Performance Bonus to fund research, demonstrations, and technical assistance, primarily for marriage promotion activities. Allows spending on activities to reduce non-marital births and promotes marriage to count toward states’ spending requirements, including spending for families not eligible for TANF services. 	<ul style="list-style-type: none"> Repeals the Illegitimacy Reduction Bonus and creates a Healthy Marriage Promotion grant program, which would provide \$200 million annually to fund marriage promotion and marriage education activities, teenage pregnancy prevention programs, broad-based income support strategies for low-income working parents, and dissemination of best practices for addressing domestic violence. Requires 25 percent state match. Provides \$25 million annually beginning in FY 2004 to improve employment of and services for low-income non-custodial parents.

	House Action	Senate Action (to date)
Eligibility for Immigrants	Maintains five-year ban on TANF benefits and services for legal immigrants entering the country after 1996.	<ul style="list-style-type: none"> • Gives states the option to provide TANF-funded cash assistance and services to legal immigrants, regardless of date of entry. • Gives states the option to use federal funds to provide Medicaid and SCHIP eligibility children and pregnant women who are legal immigrants, regardless of date of entry.
Child Care	Increases childcare and Development Fund entitlement funding from \$2.7 billion to \$2.9 billion through 2007, for a total increase of \$1 billion.	Increases annual entitlement funding to \$3.7 billion for FY 2003 through FY 2005 and \$4 billion for FY 2006 and FY 2007, for a total increase of \$5.5 billion

Major Concerns For Advocacy Groups Regarding TANF Reauthorization

- Higher participation hours. The House bill increases the number of hours that families must participate in work related activities from 30 to 40. Problems that welfare recipients might face if this bill were enacted include the difficulty of sometimes finding a full time job, the necessity of providing additional day care for children, and a shortened length of time available to spend with their children.
- Less Access to Education. The House bill reduces access to G.E.D. and vocational education and would continue the practice of not allowing states use federal funds to help TANF families get a college degree. Post-secondary education has proven to be beneficial in keeping recipients off welfare rolls.
- Fewer activities would count. The House plan, while increasing the number of hours that people have to participate, eliminates of some of the activities that now count as participation in the TANF program. For instance, vocational education and job search would not count under the House bill until after a parent had completed 24 hours of working or volunteering each week.
- No help for illegal immigrants. The House bill does not allow states to help legal immigrants with federal funds until they have been in the United States for five years.
- Marriage Promotion. The House plan would provide \$300 million a year across the country for states to explore ways to promote marriage for TANF parents. Promoting marriage in situations involving domestic violence contributes to larger problems within the family structure than remaining single.

What Advocates Can Do

- Continue to educate yourselves on current issues surrounding welfare reauthorization in California and stay aware of the available resources on these issues.

Websites containing up-to-date information:

<http://finance.senate.gov/sitepages/legislation.htm>

www.workforcealliance.org

www.WOWonline.org

www.clasp.org

- Contact your local CalWorks agencies to learn more about their concerns.
- Contact our Senators and ask them to:

Allow participation credit for barrier removal activities that address problems with mental health, domestic & sexual abuse, housing, literacy and language for as long as they are needed.

Provide more money for work supports like transportation and childcare, for families on TANF and those who have left TANF for full-time employment for work.

Support access to all levels of education without limits on the number of people or the time they can participate.

Don't punish families with time limits if they are working but can't earn enough to leave TANF.

Allow states to use federal funds to provide Medicaid and TANF to legal immigrants.

Allow "marriage proposal" money to end TANF restrictions on poor two-parent families, and not encourage women to stay in abusive situations.

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Compiled from:

- California Budget Project, Comparison of Key Provisions in TANF Reauthorization Proposals, Revised June 28th, 2002
- MAIN (Maine Association of Interdependent Neighborhoods) Update, TANF Reauthorization: Mainers Speak Out, June 2002
- National Council of Churches, Analysis of the Current Situation in Congress Regarding Temporary Assistance to Needy Families, June 13, 2002
- National Economic Development & Law Center in conjunction with CFESS (Californians for Family Economic Self-Sufficiency)
- WEEL (Working for Equality & Economic Liberation)

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